

REMARKS/ARGUMENTS

This Amendment is in response to the Office Action of November 16, 2005, in which the Examiner (1) rejected claims 37 and 38 under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter, (2) rejected claims 37 and 38 under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter as to the invention and (3) rejected claims 22 and 24-38 under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent No. 6,149,055 ("**Gatto**").

By the present Amendment, Applicant has amended claim 37. The claims otherwise stand as previously presented. It is respectfully requested that the Examiner reconsider the rejection of the claims in light of the remarks herein.

§101 Rejection

In the Examiner's remarks, it was stated that claims 37 and 38 "are devoid of any limitation to a practical application in the technical arts."

Applicant believes there is technology and "technical arts" stated in the claims. As an example, claim 37 recites "storing *in a database* and in relation to an account of the account holder, an account identifier and a balance associated with the account...", issuing a negotiable instrument *at a transaction terminal...*" and "providing *a server system* in communication with the database and the transaction terminal...". These are clearly limitations relating to technology and "technical arts."

Even if the Examiner deems these limitations to not be directed to "technical arts," Applicant respectfully requests the Examiner reconsider the rejection based on the requirement of "technical arts." Applicant believes the Examiner may not be applying an appropriate standard in evaluating the claims under 35 U.S.C. §101. The Examiner's attention is directed to the recent decision in *Ex Parte Lundgren*, 76 USPQ2d 1385 (BPAI 2005), where the PTO Board of Appeals determined that the requirement that claimed subject matter meet a "technical arts" requirement under 35 USC §101 was not proper:

"Our determination is that there is currently no judicially recognized separate 'technological arts' test to determine patent eligible subject matter under §101. We decline to create one. "

§112 Rejection

In rejecting claims 37 and 38 under 35 U.S.C. §112, the Examiner stated that there is not positively recited a "method step of issuing prepaid negotiable instruments to an account holder." Applicant believes this rejection has been overcome by the amendment herein to claim 37.

§103 Rejection

Applicant believes the claimed subject matter is patentable over **Gatto**. While **Gatto** does mention that an EFT system may conduct a variety of transactions, including issuing negotiable instruments (col. 5, line 41), it does not teach, show or suggest any of the following limitations recited, for example, in independent claim 22:

"a database for storing . . . a balance associated with the prepaid account, wherein the balance represents funds deposited to the prepaid account as advance payment for negotiable instruments,"

"wherein the prepaid account is maintained by a non-banking institution and the prepaid account is thus not an FDIC insured account," and

"a communication link connecting the server system for receiving data from a banking institution, the data relating to a sweep account maintained by the banking institution for receiving deposits for the account holder and immediately crediting those deposits to the prepaid account."

Independent method claim 37 recites subject matter similar to claim 22 and is believed allowable for the same reasons. Dependent claims 24-36 and 38 each recite limitations

in addition to those of their respective parent claims, and are believed allowable for at least the same reasons as stated above.

Applicant has noted the Examiner's comment that Applicant did not traverse the assertion that various limitations in the dependent claims are "notoriously well known."

Applicant apologizes if the comments in the earlier Response were taken as not a traversal.

Applicant in fact does traverse the Examiner's assertion that these features are notoriously well known (in combination with other claimed features). Applicant also believes that, at least in part, it did traverse the Examiner's assertion. For example, in the previous response Applicant incorporated several of the limitations of the dependent claims into independent claim 22 and argued the patentability of the amended claims (such arguments representing a traversal of the Examiner's rejection pertaining to those limitations).

Applicant also believes various limitations of the pending dependent claims, taken in conjunction with the various combined features of the independent claims, are separately patentable and distinguishable from **Gatto**. By way of example only, the combination of various features of independent claims 22 and 37 along with features of the dependent claims, such as a PIN (claim 25), an anonymous prepaid account (claims 26 and 27), specific restrictive preprinted legends (claims 28 and 29), and the Licensed Money Transmitter (claim 33), are all limitations that make their respective dependent claims allowable, and such combination is neither taught nor suggested by **Gatto**.

CONCLUSION

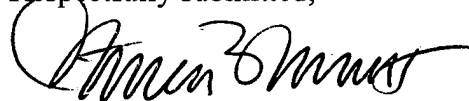
In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested.

Appl. No. 09/713,770
Amdt. dated February 15, 2006
Reply to Office Action of November 16, 2005

PATENT

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 303-571-4000.

Respectfully submitted,



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